

SUZANO BAHIA SUL PAPEL E CELULOSE S.A.

Publicly held company
CNPJ n°. 16.404.287/0001-55
N.I.R.E. n°. 29.300.016.331

**MINUTES OF AN EXTRAORDINARY GENERAL MEETING OF
SHAREHOLDERS HELD ON JULY 6, 2006**

DATE, TIME AND PLACE: July 6, 2006 at 2:30 p.m., at the company's head office, Avenida Tancredo Neves 274, Centro Empresarial Iguatemi II, Block B, Suites 121-123, in the city of Salvador, Bahia, Brazil.

PRESENT: Shareholders representing more than two thirds of the voting capital; shareholders representing the preferred shares, not having the right to vote; and Mr. Rubens Barletta, member of the company's Audit Board.

MEETING COMMITTEE: Chairman, Bernardo Szpigel; Secretary, Giulianna D.B. Gori.

PUBLICATIONS AND DOCUMENTS READ: Convocation announcement published in the newspapers *Gazeta Mercantil* and *A Tarde*, and in the *Official Gazette* of the State of Bahia, on June 20, 21 and 22, 2006.

DECISIONS TAKEN:

FIRST: Approval of the company's Fourth Issue of Debentures ("the Issue"), for private placement, convertible into common and Class "A" preferred shares ("the Debentures"), to have the following characteristics:

- (i) **Total value of the Issue:** The total value of the Issue will be R\$ 240,000,000.00 (two hundred and forty million Reais) on the date of issue of the Debentures, that is to say December 1, 2005 ("the Issue Date").
- (ii) **Par value:** The Debentures shall have Nominal Unit Value ("the Nominal Unit Value") of R\$ 1,000.00 (one thousand Reais) on the Issue Date.
- (iii) **Updating of the Nominal Value of the Debentures:** The Nominal Unit Value of the Debentures shall be updated according to the variation in the Brazilian Long-Term Interest Rate (TJLP), according to the system specified in item (xiii) below.
- (iv) **Quantity:** 240,000 (two hundred and forty thousand) Debentures will be issued.
- (v) **Series:** The Issue shall be carried out in two series. The first shall consist of 80,000 (eighty thousand) Debentures convertible into common shares issued by the company ("Debentures of the First Series") and the second series shall be made up of 160,000 (one hundred and sixty thousand) Debentures convertible into class "A" preferred shares issued by the company ("the Debentures of the Second Series").

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- (vi) **Type and class of Debentures:** The Debentures shall be issued in the book-entry form, convertible into shares, without issue of deposits or certificates.
- (vii) **Guarantee:** The Debentures shall be of the type with floating guarantee.
- (viii) **Subscription price, paying-in, form and period of subscription:** The price for subscription and paying-in of the Debentures shall be their Nominal Unit Value plus the Remuneration (as defined below), calculated *pro rata temporis* from the Issue Date up to the date of paying-in. The Debentures shall be paid in at sight, simultaneously with subscription, in Brazilian currency. They shall be the subject of a private placement, not registered with the CVM (Securities Commission), and the period for their subscription shall be up to 40 (forty) calendar days from the day following publication of the Notice to Shareholders to be published after this Extraordinary General Meeting (“the Subscription Period” and “the Notice to Shareholders”). The Subscription Period shall be for 30 (thirty) days during which shareholders of the company shall have the right of first refusal to subscribe the Debentures, as described below, and also to subscribe any “leftovers”.
- (ix) **Right of preference:** (a) The shareholders of the company shall have the right of preference for subscription of the Debentures of the First Series and the Second Series, in proportion to the number and type of shares issued by the company which they hold on July 6, 2006, in accordance with Article 171 of Law 6404/76 (“the Preference Right”), for a period of 30 (thirty) days from July 8, 2006, which shall end on August 7, 2006, inclusive (“the Preference Period”). (b) Shareholders who wish to subscribe Debentures under Clause (a) of this item, should visit, exclusively, a branch or branches of Banco Itaú S.A. (“the Mandated Bank” and the Clerk of the Issue”) indicated in the Notice to Shareholders, where they should sign a Debenture subscription slip. (c) If the number of Debentures that the shareholder is entitled to subscribe under the Preference Right during the Preference Period in order to ensure preservation of his proportional holding in the company’s registered capital is not a whole number, that shareholder shall have the right to subscribe the number of Debentures represented by rounding to the immediately greater whole number. (d) The signature of the subscription slip shall be followed by actual payment of the Debentures subscribed, even if the full number of the Debentures that are the subject of the Issue is not subscribed. Shareholders, by subscribing Debentures during the Preference Period, may state their interest in subscribing Debentures not subscribed during the Preference Period, in proportion to their holdings in the company’s registered capital. Such interest must be expressed by means of the Debenture subscription slip. At the end of the Preference Period the company shall publish a new Notice to Shareholders advising them of the procedures for subscription of any Debentures not so far subscribed.
- (x) **Tenor and maturity date:** The tenor of the Debentures will be 7 (seven) years from the Issue Date, so that the maturity date will be December 1, 2012 (“the Maturity Date”).

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- (xi) **Grace period for amortization of the amount of the principal of the Debentures:**
The grace period for start of the payments of amortization of the principal amount of the Debentures is 48 (forty eight) months from the Issue Date.
- (xii) **Programmed Amortization of the Debentures:** The Debentures shall be amortized in 3 (three) successive annual installments, starting in the 5th (fifth) year from the Issue Date, by the amount of the Nominal Unit Value not yet amortized plus the Capitalized Amount as defined in item (xiii) below, subject to the following timetable:

Date of amortization	Percentage of amortization
01/12/2010	30% (thirty per cent)
01/12/2011	30% (thirty per cent)
01/12/2012	40% (forty per cent)

- (xiii) **Remuneration:** Starting from the Issue Date the Debentures shall earn interest at 2.5% (two point five per cent) per year more than the Brazilian Long-Term Interest Rate (“TJLP”), published by the Brazilian Central Bank (“the Remuneration”), governed by the following system:

- a) When the TJLP is greater than 6% (six per cent) per year:
- i) the amount corresponding to the portion of the TJLP that exceeds 6% (six per cent) per year shall be capitalized (“the Capitalized Amount”), on a day-by-day basis, starting from the Issue Date of the Debentures and up to the Maturity Date of the Debentures or up to the date of their settlement, subject to the terms of item (xx) below, and calculated based on application of the following capitalization method to the outstanding balance, in which shall be included all the financial events that have taken place in the period:

$$TC = [(1+TJLP)/1.06]^{n/360} - 1$$

(which may be spelt out as follows: capitalization ratio equals, square bracket, ratio between one plus the TJLP rate and one point zero six, square bracket, raised to the power of the quotient resulting from division of “n” by three hundred and sixty, all minus one), where:

TC = capitalization ratio;

TJLP = the Brazilian TJLP Long-Term Interest Rate, published by the Brazilian Central Bank; and

n = the number of days between the day of the financial event and the day of capitalization, maturity or settlement of the obligation, where a “financial event” is considered to be any fact of a financial nature from which a change in the debtor balance of the Debentures arises or may arise.

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- ii) The spread of 2.5% (two point five per cent) per year above the TJLP, referred to in the head paragraph of this item, plus the non-capitalized portion of the TJLP of 6% (six per cent) per year, shall be applied to the debtor balance of the principal of the Debentures, on the dates of demandability of the interest referred to in Clause (d) of item (xiii), on the Maturity Date of the Debentures, on the date of settlement of the Debentures, on the date of conversion of the Debentures and on the date(s) of redemption of the Debentures of the Second Series, subject to the matters specified in Clause (a), sub-item (i) of this item (xiii), and the number of calendar days from the date of each financial event to the dates of demandability mentioned above shall be used for the purpose of the daily calculation of interest.
- b) When the TJLP is less than or equal to 6% (six per cent) per year:
- i) The spread of 2.5% (two point five per cent) per year above the TJLP referred to in the head paragraph of this item, plus the TJLP itself, shall be applied to the debtor balance on the dates of demandability of the interest referred to in line (d) of this item (xiii), on the Maturity Date of the Debentures, on the date of settlement of the Debentures, on the date of conversion of the Debentures and on the date(s) of redemption of the Debentures of the Second Series, and the number of calendar days from the date of each financial event to the dates of demandability mentioned above shall be used for the purpose of the daily calculation of interest.
 - c) The amount referred to in sub-clause (a), sub-item (i) of this item (xiii) above which shall be capitalized (“the Capitalized Amount”), incorporating the principal of the debt, shall be demandable on the Maturity Date of the Debentures or on the date of settlement of the Debentures.
 - d) The amount calculated in accordance with sub-clause (a), sub-item (ii) or sub-clause (b), sub-item (i), of this item (xiii) shall be demandable, at six-month intervals, on June 1 and December 1 of each year and together with the programmed portion of amortization, early maturity, final maturity or settlement of the Debentures, conversion of the Debentures or redemption of the Debentures of the Second Series, subject to the terms of item (xx) below. Originally, the company’s management was interested in carrying out the issue of the Debentures before the end of the first half of 2006, and for this reason planned that the first payment of Remuneration of the Debentures would take place on June 1, 2006. Since the Issue is being decided by means of this Extraordinary General Meeting, on July 6, 2006, the first payment of the Remuneration shall be payable jointly with the second payment of the Remuneration, scheduled for December 1, 2006.
 - e) The capitalized amount shall be aggregated to the Nominal Unit Value for the calculation of the payment of the programmed amortizations, for the calculation of the conversion of the Debentures and for the calculation of the redemption of the Debentures of the Second Series.
 - f) The company shall pay *pro rata temporis* the interest payable up to the date of actual payment, in the following cases: any conversions of Debentures,

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programmed amortizations, optional acquisitions, redemption of Debentures of the Second Series, early maturity and final maturity or settlement of the Debentures.

- g) The interest of 2.5% (two point five per cent) per year, above the Long-Term Interest Rate (TJLP) shall apply as from the Issue Date and shall be calculated on the basis of 360 (three hundred and sixty) days, calculated on the updated Nominal Unit Value of the Debentures.

- (xiv) Impossibility of application of the TJLP:** In the event that the TJLP is not available at the time of calculation of the Remuneration, the last previous TJLP available on the respective date shall be applied, and no financial compensation whatsoever shall be payable, either by the company or by the holders of the Debentures (“the Debenture Holders”), when the applicable TJLP is published. In the event that the TJLP is abolished, or if it cannot be used as the basis of the Remuneration of the issues of Debentures by reason of supervening legislation or regulation, or if the criteria or its applicability to the said issues are changed, the factor to be used, substituting it, for the calculation of the remuneration of the Debentures shall be whatever index is determined by law, or in its absence, an index which remunerates the Debentures at the same levels as previously, approved by a General Meeting of Debenture Holders.

- (xv) Change in the legal criterion for remuneration of the funds originating from the PIS/PASEP Fund and the F.A.T.:** In the event that the legal criterion for remuneration of the funds passed through to the Brazilian Development Bank (“BNDES”) arising from the PIS/PASEP Participation Fund and Workers’ Support Fund (F.A.T.) is changed, the Remuneration specified in item (xiii) above may, at the option of the Debenture Holders, by decision made in General Meeting, be effected using the new criterion for remuneration of the said funds, or using another index approved by the Debenture Holders which, as well as preserving the real value of the Issue, remunerates it at the same levels as previously. In this case, the provisions of item (xiv) above shall be applied, *mutatis mutandis*, in the event of non-availability of this new legal criterion of Remuneration.

- (xvi) Default:** In the event of default on any obligation assumed by the company in relation to this Issue, the provisions of Article 40 and 47-A of the “Provisions Applicable to Contracts of the BNDES”, approved by Resolution 665 of December 10, 1987, partially altered by Resolution 775 of December 16, 1991, Resolution 863 of March 11, 1996, Resolution 878 of September 4, 1996, Resolution 894 of March 6, 1997, Resolution 927 of April 1, 1998 and Resolution 976 of September 24, 2001 of the Board of Directors of the BNDES, respectively published in the Federal *Official Gazette* (Section I), editions of December 29, 1987, December 27, 1991, April 8, 1996, September 24, 1996, March 19, 1997, April 15, 1998 and October 31, 2001, shall be obeyed.

- (xvii) Fine in Court proceedings:** In the event of any collection by the Courts in relation to the Issue, the company shall pay a penalty payment of 10% (ten percent) on the amount of the debt relating to the Debentures, including the principal and financial

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charges, without prejudice to the payment of extra-judicial and Court expenses and fees of counsel payable as from the first order of the competent authority in the application for collection.

- (xviii) **Delay in the payment of the Debentures:** If the company is in a position of inability to make any payment to any holder of Debentures on its due date by reason of inexactitude or non-updating of the Debenture Holder's information, then no arrears interest, penalty payment or indemnity shall be payable to such Debenture Holder, but there shall be payable to the Debenture Holder all amounts arising from his rights acquired up to the date on which the company makes the respective funds available, plus the Remuneration of the Debentures payable, from the date on which the financial obligation not complied with becomes due up to the date of the actual payment.
- (xix) **Waiver of rights:** No waiver of any of the rights arising in relation to the Issue can be presumed. Implicit or expressed tolerance on the part of the Debenture Holders in relation to delay in or non-compliance with any obligation by the company shall not imply novation.
- (xx) **Maturity at weekends or on public holidays:** Any maturity relating to any payment event of the Debentures that takes place on a Saturday, Sunday or national holiday, including banking holidays, shall, for all legal purposes and effects, be postponed to the first subsequent business day, and the financial charges shall be calculated up to this day, inclusive, and the next regular period of calculation of charges incident upon the debentures shall begin as from that day, inclusive.
- (xxi) **Convertibility of the Debentures:** (a) Each Debenture of the First Series and each Debenture of the Second Series may be converted, at any time, at the free option of its Holder, subject to the procedures described in sub-item (f) of this item, the Debentures of the First Series being convertible into common shares and the Debentures of the Second Series being converted into class "A" preferred shares issued by the company. (b) Up to December 31, 2006, the conversion price of the Debentures of the First Series and the Debentures of the Second Series shall be calculated as the arithmetic average of the daily average trading prices of the "A" shares issued by the company over the 30 (thirty) trading sessions immediately prior to the session of December 1, 2005 (the Issue Date), inclusive, weighted by the daily volume of trading of the said class "A" preferred shares, plus a premium of 20% (twenty percent), this being a price of R\$ 14.83 (fourteen Reais and eighty three centavos per share). (c) As from January 1, 2007, inclusive, the conversion price of the Debentures of the First Series and the Debentures of the Second Series shall be calculated based on the arithmetic average of the average daily trading prices of the class "A" preferred shares issued by the company on the 30 (thirty) trading sessions immediately prior to the trading session of December 1, 2005, inclusive, weighted by the daily trading volume of the said class "A" preferred shares, plus a premium of 40% (forty percent), this being a price of R\$ 17.30 (seventeen Reais and thirty

centavos) per share. (d) The conversion prices stipulated in sub-items “(b)” and “(c)” of this item (“the Conversion Price”) shall be simultaneously and proportionally adjusted whenever there is an increase of capital by bonus, split or grouping of the class “A” preferred shares issued by the company, for any reason, which takes place as from the Issue Date, without any financial charge for the Holders of the Debentures of the First Series or the Debentures of the Second Series and in the same proportion established for such events. Thus, in the event of a grouping of shares, the Conversion Price shall be multiplied by the same ratio relating to the grouping of class “A” preferred shares issued by the company and in the event of a split of shares or bonuses, the Conversion Price should be divided by the same ratio relating to the split of the class “A” preferred shares issued by the company or by the same ratio used for the bonus. (e) The common shares and the class “A” preferred shares issued by the company resulting from the conversion of the Debentures of the First Series or the Debentures of the Second Series shall have the same characteristics and conditions and shall be entitled to the same rights and advantages attributed under the bylaws at present and in the future to the respective type and class of shares and shall participate *pro rata temporis* in the results relating to the business year then in progress, including dividends and Interest on Equity. (f) Subject to the conditions stipulated above, the holders of Debentures of the First and Second Series may opt for the conversion of their Debentures at any time on or after the Issue Date of the Debentures, up to the Maturity Date of the Debentures, except on the days on which General Meetings of Shareholders of the company are held, and must state their intention by means of a request for conversion to be made in writing to the Mandated Bank and Clerk of the Issue (“the Conversion Request”). For all legal effects, the date of conversion shall be the date of receipt by the Mandated Bank and Clerk of the Issue of the Conversion Request, and the company undertakes to make available the common shares and/or class “A” preferred shares issued by itself, as the case may be, arising from the conversion of the Debentures, within a maximum period of 10 (ten) business days from the date of receipt of the Conversion Request. (g) The increase in the company’s capital arising from the conversion of the Debentures of the First or Second Series into common and/or class “A” preferred shares issued by it shall, subject to the form established in sub-item III of Article 166 of Law 6404/76, and the company’s bylaws, be homologated in up to 60 (sixty) days, and filed with the competent Commercial Board within a period of 30 (thirty) days after its taking place. (h) Up to the final maturity of the Issue, if the General Meeting of the company decides to issue other Debentures convertible into shares, for public or private subscription, each holder of Debentures of the First or Second Series in circulation at that time shall have, at its option, during any period of preference right granted to Shareholders, or, in the event of exclusion of the preference right, during a period of 20 (twenty) business days from the date of publication of the Minutes of the General Meeting of the company which decided on the new issue, independently of any period of priority or period of reservation assured for Shareholders, the right to convert their Debentures into shares for the conversion price of the new issue. (i) Up to the final maturity of the Issue, in the event that the General Meeting of the company or the Meeting of the Board of Directors decides to issue warrants, each of Debentures of the First or Second Series in circulation at the time shall have, at its option, during the

period of exercise of the warrants, the right to convert its Debentures into shares for the exercise price of the warrants. If the period for exercise of the warrants starts on a day later than the date of maturity of the Debentures, each holder of the Debentures of the First and Second Series in circulation at that time shall have, at its option, during the period of any preference right granted to the shareholders, or in the event of exclusion of the preference right, during the period of 20 (twenty) calendar days from the date of publication of the Minutes of the General Meeting of the company or from the day following the holding of the Meeting of the Board of Directors that decided on the issue of the warrants, independently of any period of priority or period of reservation to which the shareholders may be entitled, the right to convert their Debentures into shares for the exercise price of the warrants. (j) Up to the final maturity of the Issue, in the event that the General Meeting or the Meeting of the Board of Directors of the company decides to increase the company's registered capital by public or private subscription of shares, each holder of the Debentures of the First or Second Series in circulation at that time shall have, at its option, during the period of any preference right to which the shareholders are entitled or, in the event of exclusion of the preference right, during a period of 20 (twenty) calendar days from the date of publication of the Minutes of the General Meeting of the company or from the day following the meeting of the Board of Directors that decided on the capital increase, independently of any period of priority or period of reservation to which the shareholders are entitled, the right to convert their Debentures into shares for the issue price of the new shares to be issued. (k) Each holder of Debentures of the First and the Second Series shall have, during a period of 30 (thirty) calendar days from each subscription and paying in of the Debentures, the right to convert its Debentures for the same issue price established for any increase of capital of the company which may have occurred or which may come to occur in the period of 180 calendar days from March 27, 2006. Finally, (l) fractions of common and class "A" preferred shares resulting from the conversion of the Debentures effected based on the items above shall be payable in cash, on the date of the conversion request, and their actual payment must be made by the 10th (tenth) business day subsequent to the date of the Conversion Request, for the Nominal Unit Value plus the remuneration.

- (xxii) **Renegotiation:** The Debenture Issue shall not be the subject of programmed renegotiation.
- (xxiii) **Date and place of payment:** All the payments in relation to the principal and returns to which the Debenture Holders are entitled shall be made through the Mandated Bank and Clerk of the Issue.
- (xxiv) **Early maturity:** As well as the matters specified in Article 39 and 40 of the "Provisions Applicable to Contracts of the BNDES", which are applicable to the Holders of the Debentures of the First and Second Series, with the exception of sub-item III of Article 39, which is applicable exclusively to the Holders of Debentures of the First Series, the Holders of Debentures of the First or Second Series, subject to the provisions in items (xxv) and (xxvi) below, may declare early maturity of all the

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Debentures of the First Series, or all the Debentures of the Second Series, in the respective General Meeting of Debenture Holders of each series, and demand payment by the company of the debt relating to the debtor balance of the Debentures of the First Series or the Debentures of the Second Series, respectively, plus the Remuneration and other charges incident up to the date of payment, in any of the following events: (a) non-compliance by the company with any pecuniary obligation related to the Debentures, not cured within 10 (ten) business days from the respective due date; (b) reiterated filing of protests for collection of securities issued by the company in an individual amount exceeding R\$ 30,000,000.00 (thirty million Reais) or an aggregate amount in the period of 12 (twelve) consecutive months in excess of R\$ 60,000,000.00 (sixty million Reais), unless the protest has been made due to error by or bad faith of third parties, and such fact is validly proven by the company, or if it is cancelled within a maximum period of 72 (seventy two) hours from its occurrence – the amount referred to in this item being updated annually from the Issue Date by the IGP-M Inflation Index; (c) application for judicial or out-of-court recovery, made by the company; (d) dissolution and liquidation or decree of bankruptcy of the company; (e) non-curing within a period of 30 (thirty) calendar days from the extrajudicial notice sent by any Debenture Holder, of any proven non-compliance with any non-pecuniary obligation specified in the issue deed of the Debentures; (f) declaration of early maturity of any debt of the company by reason of contractual non-compliance, the individual amount of which is more than or equal to R\$ 30,000,000.00 (thirty million Reais) or the aggregate value of which in a period of 12 (twelve) consecutive months is equal to or more than R\$ 60,000,000.00 (sixty million Reais), the amount referred to in this item to be updated annually from the Issue Date by the IGP-M Inflation Index; (g) inclusion in a shareholders' agreement or bylaw of the company of a provision by which a special quorum is demanded for decision or approval of matters which limit or constrain the control of the company by the respective controlling shareholders, or inclusion in these documents of a provision which results in restrictions on the company's capacity to grow or on its technological development, restrictions of the company's access to new markets, or restrictions on or prejudice to the capacity for payment of the financial obligations arising from the Issue; (h) any discovery that the statements made in the deed of issue of the Debentures by the company were false or misleading or materially incorrect or incomplete on the date on which they were made; (i) approval of any matter in relation to which Law 6404/76 calls for a special quorum for opening of a Shareholders' Meeting of the company on first convocation or for any decision, unless previously approved by holders of Debentures of the First Series representing the majority of the Debentures of the First Series in circulation, meeting in a General Meeting of Debenture Holders of the First Series called by the company, and the exercise of the veto by the Debenture Holders of the First Series in matters referred to in this sub-clause shall take place in a reasonable manner; and non-realization of the General Meeting of Debenture Holders of the First Series within this period by reason of absence of a quorum for opening of the meeting at first convocation shall imply tacit approval of the transaction; (j) if the company approves any reduction of the registered capital without the prior express approval of holders of Debentures of the First Series representing the majority of the Debentures of the First Series in

circulation; (k) creation of redeemable shares by the company without the prior express approval of holders of Debentures of the First Series representing the majority of the Debentures of the First Series in circulation; (l) if the actual direct or indirect shareholding control of the company is altered by any means, other than if approved by holders of Debentures of the First Series representing the majority of the Debentures of the First Series in circulation; (m) acquisition by the company of shareholding control or shareholding interest in any other company, joint venture, or consortium which consists of activities that are not complementary to normal operation pursuant to the objects of the company, characterizing a deviation of the company's objects, unless approved by holders of Debentures of the First Series representing the majority of the Debentures of the First Series in circulation; or (n) non-continuity, at the initiative of the company, of the differentiated corporate governance practices of Level 1 of the São Paulo Share Exchange (Bovespa), unless approved by holders of Debentures of the First Series representing the majority of the Debentures of the First Series in circulation.

(xxv) Early maturity of the Debentures of the First Series: (a) In the event of any of the occurrences indicated in sub-items (a) to (n) of item (xxiv) above, the company or the Holders of Debentures of the First Series shall call a General Meeting of Holders of Debentures of the First Series to decide on declaration of early maturity of the Debentures of the First Series, subject to the quorum established in sub-item (b) of this item. Sub-clauses (i), (j), (k), (l), (m) and (n) of item (xxiv) above, shall only be considered matters causing early maturity for the Debentures of the First Series, and the Holders of Debentures of the Second Series may not declare early maturity of the Debentures of the Second Series based on the events specified in those sub-clauses. (b) If the declaration of early maturity referred to in sub-clause (a) of this item is approved by holders of Debentures of the First Series, meeting in a General Meeting of Holders of Debentures of the First Series, representing 50% (fifty percent) plus one of the Debentures of the First Series at that time in circulation, after extrajudicial notification to the company, early maturity of all the obligations arising from the Debentures of the First Series shall be automatically declared, and the company shall be obliged to pay immediately all the financial obligations assumed in relation to the Issue of this series, including such financial charges as may be applicable up to the date of their actual payment, and in the event of arrears by the company, the provisions of item (xvi) above shall be applicable.

(xxvi) Early maturity of the Debentures of the Second Series: (a) If any of the events indicated in sub-clauses (a) to (h) of item (xxiv) above takes place, the company or the Debenture Holders of the Second Series shall call a General Meeting of Debenture Holders of the Second Series, to decide on declaration of early maturity of the Debentures of the Second Series, subject to the quorum requirement established in sub-clause (b) of this item. (b) If the declaration of early maturity referred to in sub-clause (a) of this item is approved by Debenture Holders of the Second Series in a General Meeting of Debenture Holders of the Second Series representing 50% (fifty percent) plus one of the Debentures of the Second Series at that time in circulation, after extrajudicial notification to the company, early maturity of all the obligations

(Continuation of the minutes of the Extraordinary General Meeting of Shareholders of Suzano Bahia Sul Papel e Celulose S.A., held on 06.07.2006, at 2.30 p.m.).

arising from the Debentures of the Second Series shall be declared automatically, and the company shall be obliged immediately to pay all the financial obligations assumed in relation to the Issue of this series, including any charges applicable up to the date of their actual payment, and in the event of arrears by the company the provisions of item (xvi) above shall be applied.

(xxvii) Optional early maturity of the Debentures of the Second Series: (a) If early maturity of the Debentures of the First Series is declared by reason of the events listed in sub-clauses (i), (j), (k), (l), (m) or (n) of item (xxiv) above, each Debenture Holder of the Second Series shall have the option at any time during the whole of the remaining tenor of the Debentures of the Second Series, to demand from the company redemption of its Debentures of the Second Series for the Nominal Unit Value plus the capitalized amount and the Remuneration calculated *pro rata temporis* up to the date of payment of the amount of the redemption, with the further inclusion in the amount of the redemption of any additional amounts at any time payable to the Debenture Holders of the First Series as charges or penalties arising from the early maturity of the Debentures of the First Series. (b) The company shall immediately pay the amount of the redemption at the time of presentation of the request for redemption made by any Debenture Holder of the Second Series, such request to be made in writing, and in the event of arrears by the company, the provisions of item (xvi) above shall be applied. In relation to this, the Executive Officers are authorized to sign or amend the relevant deed of issue of the Debentures and also the other and related contracts, and all acts practiced in relation to the transaction referred to are also ratified.

SECOND: To change the full name of the company to “Suzano Papel e Celulose S.A.”, in accordance with the proposal by the Executive Officers attached to these minutes, thus changing Clause 1 of the company’s bylaws, which shall now read as follows:

“SUZANO PAPEL E CELULOSE S.A. is a Brazilian corporation with authorized capital, governed by these Bylaws and by the applicable legislation, operating in an ethically responsible manner and with respect for human rights.”

THIRD: To authorize the publication of these minutes in the form specified in §2° of Article 130 of Law 6404/76.

These minutes were read, approved and signed by all those present.

Salvador, July 6, 2006.

Bernardo Szpigel – Chairman of the Meeting.

Giulianna D.B. Gori – Secretary.

Shareholders:

SUZANO HOLDING S.A. – p.p. Bernardo Szpigel.

IPLF HOLDING S.A. – p.p. Giulianna D.B. Gori.

(Continuation of the minutes of the Extraordinary General Meeting of Shareholders of Suzano Bahia Sul Papel e Celulose S.A., held on 06.07.2006, at 2.30 p.m.).

This is a true copy of the original written in the book maintained by the company for the purpose.

Giulianna D.B. Gori
Secretary